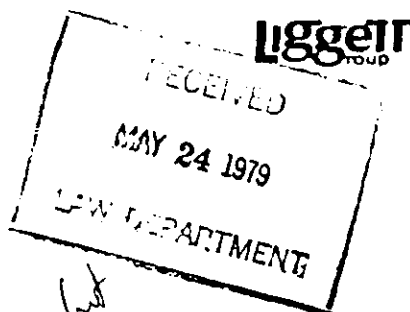


Liggett & Myers Tobacco Company, Inc.

4100 Roxboro Road, Durham, N.C. 27702

Joseph H. Greer

Vice President & General Counsel



Joe Greer

I abate feel it is weak but

do not feel we should pass

TI for stronger language

in new of R/B/Bal

Approved.

Messrs. Dey
Hooker/Legal Files
Provost/McKenna
Seidensticker✓

Re: Tobacco Institute Reply to Califano

Attached is a new draft of the Institute's reply to the Ayatollah Califano. It is much briefer than the former draft, but I personally feel it is still a little weak.

B&W, Reynolds and Lorillard have already approved of this draft, and I am advised that Philip Morris will notify the Institute of any changes by the end of the week. If you have any suggested changes, please let me have them as soon as possible, and I will notify Tom Frankovic on Friday of any such changes.

[Signature]

att.

LG 2022844

LIG- 87435